

**IN THE UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF TEXAS
TEXARKANA DIVISION**

MOTOROLA, INC.,	§
	§
Plaintiff and	§
Counterclaim-Defendant,	§
v.	§
	No. 5:07-cv-171 (DF-CMC)
	Jury
VTECH COMMUNICATIONS, INC.,	§
VTECH TELECOMMUNICATIONS	§
LTD.	§
	§
Defendants and	§
Counterclaim-Plaintiffs.	§
	§

MOTOROLA, INC.'S REPLY TO VTECH'S COUNTERCLAIMS

Plaintiff-Counterclaim Defendant, Motorola, Inc. ("Motorola"), hereby responds to the numbered paragraphs constituting Defendants-Counterclaim Plaintiff VTech Communications, Inc.'s, and VTech Telecommunications Ltd.'s (collectively "VTech") Counterclaims as follows:

1. Motorola admits that VTech has brought counterclaims for declaratory judgment of invalidity and/or non-infringement of United States Patent Nos. 4,866,766; 5,157,391; 5,394,140; 5,848,356; and 7,070,349; but denies that the patents are invalid and/or not infringed by VTech and otherwise denies the remaining averments of paragraph 1.

PARTIES

2. Motorola, upon information and belief, admits the averments of paragraph 2.

3. Motorola, upon information and belief, admits the averments of paragraph 3.

4. Motorola admits the averments of paragraph 4.

JURISDICTION AND VENUE

5. Motorola admits the averments of paragraph 5.

6. Motorola contends that venue is proper in this Judicial District for this action, but denies that venue should be transferred and otherwise denies the remaining averments of paragraph 6.

BACKGROUND

7. Motorola admits the averments of paragraph 7.

COUNTERCLAIM COUNT ONE
(Patent Non-Infringement)

8. Motorola incorporates by reference its responses to the averments in paragraphs 1 through 7 of VTech's Counterclaims.

9. Motorola denies the averments included in paragraph 9.

COUNTERCLAIM COUNT TWO
(Patent Invalidity)

10. Motorola incorporates by reference its responses to the averments in paragraphs 1 through 9 of VTech's Counterclaims.

11. Motorola denies the averments included in paragraph 11.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff repeats the prayer for relief set forth in its Complaint, and respectfully requests that the Court further enter judgment against Defendants as follows:

- a. Dismissing the Counterclaims filed by VTech with prejudice;
- b. Finding this case exceptional under 35 U.S.C. § 285 and awarding Motorola thereto reasonable attorneys fees and its costs and expenses incurred in this action; and
- c. Granting to Motorola such other and further relief as this Court deems just and proper.

Respectfully submitted,

Dated: January 28, 2008

By: /s/ Damon Young
Damon Young (State Bar No. 22176700)
dyoung@youngpickettlaw.com
John Pickett (State Bar No. 15980320)
jpickett@youngpickettlaw.com
Lance Lee (State Bar No. 24004762)
llee@youngpickettlaw.com
YOUNG, PICKETT & LEE
4122 Texas Boulevard
P.O. Box 1897*
Texarkana, Texas 75503 (*75504)
Telephone: (903) 794-1303
Fax: (903) 792-5098

Attorneys for Plaintiff
MOTOROLA, INC.

OF COUNSEL:

Jesse J. Jenner
Steven Pepe
Ropes & Gray LLP
1211 Avenue of the Americas
New York, New York 10036
Telephone: (212) 596-9000
jesse.jenner@ropesgray.com
steven.pepe@ropesgray.com

Nicole M. Jantzi
Kevin J. Post
Ropes & Gray LLP
700 12th Street, NW, Suite 900
Washington, DC 20005
Telephone: (202) 508-4600
nicole.jantzi@ropesgray.com
kevin.post@ropesgray.com

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing document was filed electronically in compliance with Local Rule CV-5(a). Therefore, this document was served on all counsel who are deemed to have consented to electronic service. Local Rule CV-5(a)(3)(A). Pursuant to Fed.R.Civ.P. 5(d) and Local Rule CV-5(e), all other counsel of record not deemed to have consented to electronic service were served with a true and correct copy of this document via email, facsimile and/or U. S. First Class Mail.

DATED: January 28, 2008.

/s/ Damon Young _____

Damon Young